

## Attachment 3.3.2

### Definition of Income

The following Washington Administrative Codes (WAC), define Income for child care subsidies:

1. WAC 388-22-0030 (36)

(36) "Income" means any appreciable gain in real or personal property (cash or in-kind) received by a client during the month for which eligibility is determined, and that can be applied toward the needs of the assistance unit.

2. WAC 388-290-0015 How does the WCCC Program Determine my family size for eligibility?

We determine your family size by reviewing those individuals who live together in the same household as follows:

<b>(1) If you are:</b>	<b>We count the following individuals as part of the family for WCCC eligibility:</b>
(a) A single parent, including a minor parent living independently;	You and your children.
(b) Unmarried parents who have at least one mutual child;	Both parents and all their children living in the household.
(c) Unmarried parents with no mutual children;	Unmarried parents and their respective children living in the household as separate WCCC families.
(d) Married parents;	Both parents and all their children living in the household.
(e) Undocumented parents;	Parents and children, documented and undocumented, as long as the child needing care is a U.S. citizen or legally residing in the United States. All other family rules in this section apply.
(f) A consumer as defined in WAC 388-290-0005 (1)(c) through (i);	The children only. (The children and their income are counted.)
(g) A minor parent with children and live with a parent/guardian;	Only the minor parent and their children.
(h) A family member who is out of the household because of employer requirements, such as the military or training, and is expected to return to the household.	You, the absent individual, and the children. Subsection (1)(b) and (d) of this section apply.
(i) A family member who is voluntarily out of the household for reasons other than requirements of the employer, such as unapproved schooling and	You, the absent individual and the children. Subsection (1)(b) and (d) of this section apply as well as WAC 388-290-0020.

visiting family members, and is expected to return to the household.

(j) An incarcerated family member.

The absent individual is removed from the household. We count all remaining household members. All other family rules in this section apply.

**(2) If your household includes:**

**We count the following individuals as part of the family for WCCC eligibility:**

(a) Eighteen year old siblings of the children who require care and are enrolled in high school or general equivalency diploma (GED) program.

The eighteen year olds (unless they are a parent themselves), until they turn nineteen or complete high school/GED, whichever comes first. All other family rules in this section apply.

(b) Siblings of the children requiring care who are up to twenty-one years of age and who are participating in an approved program through the school district's special education department under RCW 28A.155.020.

The individual participating in an approved program through RCW 28A.155.020 up to twenty-one years of age (unless they are a parent themselves). All other family rules in this section apply.

3. **WAC 388-290-0060 What income does the WCCC Program count when determining eligibility and copayments?**

The WCCC program counts income as money you get from:

- (1) A TANF grant, except when exempt under WAC 388-290-0070 (1)(h);
- (2) Child support payments;
- (3) Supplemental Security Income (SSI);
- (4) Other Social Security payments, such as SSA and SSDI;
- (5) Refugee assistance payments;
- (6) Payments from the Veterans' Administration, disability payments, or payments from labor and industries (L&I);
- (7) Unemployment compensation;
- (8) Other types of income not listed in WAC 388-290-0070;
- (9) VISTA volunteers, Americorps, and Washington Service Corps (WSC) if the income is taxed;
- (10) Gross wages from employment or self-employment. Gross wages includes any wages that are taxable. "Self-employment income" means your gross income from self-employment minus allowable business expenses in WAC 388-450-0085;
- (11) Lump sums as money you get from a one-time payment such as back child support, an inheritance, or gambling winnings; and
- (12) Income for the sale of property as follows:
  - (a) If you sold the property before application, we consider the proceeds an asset and do not count as income;

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(b) If you sold the property in the month you apply or during your eligibility period, we count it as a lump sum payment as described in WAC 388-290-0065(3).

(c) Property does not include small personal items such as furniture, clothes, and jewelry.

4. WAC 388-290-0065 How does the WCCC Program define and use my income?

We use your countable income when determining your eligibility and copayment. Your countable income is the sum of all income listed in WAC 388-290-0060 minus any child support paid out (through a court order, division of child support administrative order, or tribal government order).

(1) To determine your income we:

(a) Determine the number of months, weeks or pay periods it took your family to earn the income and divide the income by the number of months, weeks or pay periods to get an average monthly amount; or

(b) Use the best available estimate of your family's current income when you begin new employment or if you don't have an income history to make an accurate estimate of your future income, we may ask your employer to verify your income.

(2) If you receive a lump sum payment (such as money from the sale of property or back child support payment) in the month of application or during your WCCC eligibility we:

(a) Divide the lump sum payment by twelve to come up with a monthly amount; and

(b) Add the monthly amount to your expected average monthly income for the month it was received and the remaining months of the current authorization period;

(c) You must meet income guidelines for WCCC after the lump sum payment is applied to remain eligible for WCCC.

5. WAC 388-290-0070 What income types and deductions does the WCCC Program disregard when figuring my income eligibility for WCCC benefits?

(1) The WCCC program does not count the following income types when figuring your income eligibility and copayment:

(a) Income types as defined in WAC 388-450-0035, 388-450-0040, and 388-450-0055;

(b) Compensatory awards, such as an insurance settlement or court-ordered payment for personal injury, damage, or loss of property;

(c) Adoption support assistance and foster care payments;

(d) Reimbursements, such as an income tax refund;

(e) Diversion cash assistance;

(f) Income in-kind that is untaxed, such as working for rent;

(g) Military housing and food allowance;

(h) The TANF grant for the first three consecutive calendar months after you start a new job. The first calendar month is the month in which you start working;

(i) Payments to you from your employer for benefits such as medical plans;

(j) Earned income of a WCCC family member defined under WAC 388-290-0015(2);

(k) Income of consumers described in WAC 388-290-0005 (1)(c) through (i);

(l) Earned income from a minor child who we count as part of your WCCC household; and

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(m) Benefits received by children of Vietnam War veterans who are diagnosed with all forms or manifestations of spina bifida (except spina bifida occulta).

(2) WCCC deducts the amount you pay for child support under court order, division of child support administrative order, or tribal government order, from your other countable income when figuring your eligibility and copay for the WCCC program.

6. WAC 170-292-0035 What income is counted when determining eligibility and copayment for the Seasonal Child Care Program?

To determine income eligibility and copayment for the SCC program, the following income is counted:

- (1) Wages and commissions earned from employment;
- (2) Unemployment compensation;
- (3) A TANF or other welfare grant;
- (4) Child support payments received;
- (5) Supplemental Security Income (SSI);
- (6) Other Social Security payments, such as SSA and SSDI;
- (7) Refugee assistance payments;
- (8) Payments from the Veterans' Administration;
- (9) Pensions or retirement income;
- (10) Payments from labor and industries (L&I), or disability payments;
- (11) Inheritance;
- (12) Reportable gambling winnings; and
- (13) Other types of income not listed in WAC 388-292-0045.

7. WAC 270-292-0045 What is not counted, or is deducted, when figuring income eligibility for the Seasonal Child Care Program?

(1) For the SCC program the following is not counted when figuring income eligibility and copayment:

- (a) Savings accounts;
  - (b) Money received from sale of personal property such as a house or car;
  - (c) Tax refunds;
  - (d) Earned income credits;
  - (e) One-time insurance settlement payments;
  - (f) Capital gains;
  - (g) Basic Food program;
  - (h) Income earned by children as described in WAC 388-292-0010(2).
- (2) For the SCC program the amount you pay for child support is deducted from your countable income.